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FEDERAL COMMUNICATIONS COMMISSION

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of:)				
)	CC	Docket	No.	95-72
End User Common Line Charges)				

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REPLY COMMENTS OF THE UNITED STATES TELEPHONE ASSOCIATION

The United States Telephone Association (USTA) respectfully submits these reply comments in the above-captioned proceeding. USTA is the principal trade association of the local exchange carrier industry, with more than 1,000 members. While USTA concurrently has filed joint reply comments with a broad range of other associations and companies in support of ISDN deployment, our intent is to further elaborate on two points included in the Joint Parties' reply comments: the regulatory justification of the subscriber line charge (SLC) and the need for reform of the Commission's access charge rules.

The Joint Parties state that "...the Commission should adopt a <u>simple</u>, <u>predictable</u>, and <u>cost-based</u> formula governing the application of the subscriber line charge ("SLC") to ISDN services." (Joint Parties at 1.) USTA believes that the Commission's current interpretation of its Rules, as documented in the January 11, 1995 Order on Reconsideration of NYNEX Transmittal No. 11, of one SLC per derived channel vastly exceeds nearly all commenter's conception of economic reality and cost-causation. Further, we believe that the Commission's proposed "one-SLC-per-facility" approach is consistent with its current Rules. ISDN's

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functionality occurs through switching, and therefore, its costcausation is similar to plain old telephone service, with respect to loop costs.

The Commission should not allow itself to be distracted from the important decision it faces, merely because of the varying proposals for the details of implementation. Most commenters agree that the specific ISDN problem demands a quick solution to ensure that ISDN deployment can facilitate development of the NII. A timely and reasonable ruling on the treatment of ISDN is critical. Yet it is only the first step on the road toward comprehensive reform of the Commission's access charge rules, which many of the commenting parties, including USTA, strongly support.

For the aforementioned reasons, USTA urges the Commission to swiftly resolve this proceeding and adopt its one-SLC-per-facility proposal.

Respectfully submitted,

UNITED STATES TELEPHONE ASSOCIATION

RV.

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Anne Barcal Director, Legal and Regulatory Affairs July 14, 1995

CERTIFICATE OF SERVICE

I, Robyn L.J. Davis, do certify that on July 14, 1995 copies of the Reply Comments of the United States Telephone Association were either hand-delivered, or deposited in the U.S. Mail, first-class, postage prepaid to the persons on the attached service list.

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